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BEFORE THE ARIZONA CORPORATION COMMISSION**COMMISSIONERS**

Arizona Corporation Commission

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KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

IN THE MATTER OF THE APPLICATION
OF CI², INC. FOR APPROVAL TO CANCEL
THEIR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE
TELECOMMUNICATIONS SERVICES.

DOCKET NO. T-03762A-07-0276

DECISION NO. 71432**ORDER**

Open Meeting
November 19 and 20, 2009
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. On November 30, 2000, in Decision No. 63188, the Commission granted CI², Inc. ("Applicant" or "Company") a Certificate of Convenience and Necessity ("Certificate") authorizing it to provide competitive resold local exchange telecommunications services within the State of Arizona.

2. The issuance of Applicant's Certificate was conditioned upon the Applicant filing, within 30 days of the effective date of the Decision, or 30 days prior to providing service, whichever came first, conforming tariffs and a performance bond in an amount sufficient to cover 30 days revenue from its customers and any prepayments or deposits which had been collected.

3. On May, 7, 2007, Applicant filed with the Commission an application to cancel its Certificate for the provision of resold long distance telecommunications service within the State of Arizona. In response to data requests, Applicant stated that it has no facilities, employees, telecommunications customers or subscribers in the State of Arizona and has never collected any

1 advance payments, deposits and/or prepayments from customers. Further, Applicant indicated that it
2 has never provided service in Arizona.

3 4. On September 28, 2009, the Commission's Utilities Division ("Staff") filed its initial
4 report in this matter.

5 5. On October 23, 2009, Staff filed an amended Staff Report.

6 6. Staff, in the amended Staff Report, states that since January 2004, there have been no
7 complaints, inquiries or opinions filed with respect to the Applicant.

8 7. Staff further states that there are no outstanding complaints against Applicant and
9 verified that Applicant does not service any Arizona customers and is not doing business in Arizona.
10 Moreover, Applicant is not holding any prepayments, deposits, or advances and no customers in
11 Arizona would be at risk by the cancellation of Applicant's Certificate. In addition, Staff states that
12 there are numerous other carriers offering services similar to Applicant's in Arizona. Lastly, Staff
13 reports that Applicant's corporate status was revoked in March 2007 due to Applicant's failure to file
14 its Annual Report with the Commission's Corporations Division.

15 8. Staff is recommending that Applicant's application be approved and that Applicant be
16 granted a waiver of A.A.C.R14-2-1107(B) to provide legal notice since Applicant has never provided
17 service in Arizona.

18 9. There is no evidence that the Company complied with the terms of A.A.C. R-14-2-
19 1107(A)(2) & (B), requiring the Company to provide notice to customers of its discontinuation of
20 service, a plan for the refund of deposits, a list of alternate providers, and published notice of the
21 application.

22 10. As discussed in Decision No. 67404 (November 2, 2004), it would render A.A.C.
23 R14-2-1107 meaningless and would run afoul of the rule's intent and plain language to exempt a
24 company from the requirements of the rule because it has no customers due to its discontinuation of
25 service. However, as discussed in that Decision, the intent of the rule is to ensure that existing
26 customers have advance notice of a telecommunications provider's pending plan to discontinue
27 service such that they will be afforded an opportunity to procure service through an alternative
28 provider prior to such discontinuance.

1 11. Because the Applicant has no Arizona customers and did not collect any advances,
2 deposits and/or prepayments, the requirements of A.A.C. R-14-2-1107(A)(2) & (B) are hereby
3 waived.

4 12. Given the foregoing, Staff's recommendation is reasonable.

5 **CONCLUSIONS OF LAW**

6 1. Applicant is a public service corporation within the meaning of Article XV of the
7 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

8 2. The Commission has jurisdiction over Applicant and the subject matter of the
9 application.

10 3. The cancellation of Applicant's Certificate is in the public interest.

11 4. Pursuant to A.R.S. § 40-282, the Commission may grant the application without a
12 hearing.

13 5. Staff's recommendation in Findings of Fact No. 8 is reasonable and should be
14 adopted.

15 **ORDER**

16 IT IS THEREFORE ORDERED that the application of CI², Inc. for the cancellation of its
17 Certificate of Convenience and Necessity to provide competitive resold local exchange service within
18 the State of Arizona is hereby approved.

19 IT IS FURTHER ORDERED that CI², Inc. is no longer authorized to provide resold local
20 exchange service within the State of Arizona.

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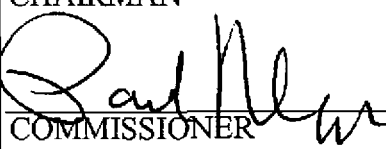
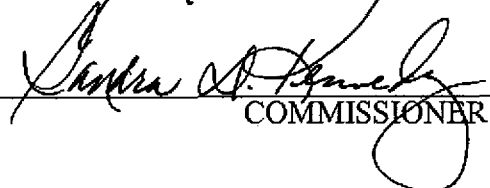
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1 IT IS FURTHER ORDERED that CI², Inc. is hereby granted a waiver of A.A.C. R14-2-
 2 1107(B).

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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 6 
 7 CHAIRMAN  COMMISSIONER
 8   
 9 COMMISSIONER COMMISSIONER COMMISSIONER

10 IN WITNESS WHEREOF, I, Ernest G. Johnson, Executive
 11 Director of the Arizona Corporation Commission, have
 12 hereunto set my hand and caused the official seal of the
 13 Commission to be affixed at the Capitol, in the City of Phoenix,
 14 this 8th day of December 2009.

15 
 16 ERNEST G. JOHNSON
 17 EXECUTIVE DIRECTOR

18 DISSENT _____

19
 20 DISSENT _____

21 MES: db

SERVICE LIST FOR:

CI², INC.

DOCKET NO.:

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